GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:855
ANSWERED ON:25.11.2011
COOPERATIVE BANKS
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Will the Minister of FINANCE be pleased to state:

(a) the number of cooperative banks in the country, State-wise including Maharashtra;

(b) the amount of losses/profits made by these banks during the last two years and the current year;

(c) whether any irregularities in the working of these banks have come to the notice of Government; and

(d) if so, the details thereof and the action taken thereon, bank-wise?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI NAMO NARAIN MEENA)

(a) : There are 31 State Cooperative Banks, 370 District Central Cooperative Banks (DCCBs), 20 State Co-operative Agriculture and Rural Development Banks (SCARDBs) and 697 Primary Co-operative Agriculture and Rural Development Banks (PCARDBs) in the country. State wise details including Maharashtra are given in Annex.

(b); As per the information available with National Bank for Agriculture and Rural Development (NABARD) the amount of loss/profit made by Cooperative Banks in the country during 2008-09 and 2009-10 is as under:

(Rs. in crore)

Cooperative Banks	2008-09		2009-10	
	Profit	Loss	Profit	Loss
SCBs	408.78 (26)	70.61 (5)	491.41 (29)	208.06 (2)
DCCBs	1595.23 (324)	216.10 (46)	1711.62 (326)	475.10 (44)
SCARDBs $	404.07 (12)	87.62 (7)	127.47 (10)	154.92 (9)
PCARDBs	220.21 (344)	342.30 (353)	131.76 (297)	526.34 (400)

(number of banks shown in bracket)

Data for the year 2009-10 is provisional $ Manipur SCARDB is defunct

(c) & (d) : During the inspections of the banks, various irregularities, such as non-maintenance of minimum capital requirement, maintenance of Cash Reserve Ratio, Statutory Liquidity Ratio, non-compliance with various provisions of Banking Regulation Act, 1949 (As Applicable to Cooperative Societies), irregularities in sanction of loans and advances, violation of investment guidelines of RBI, etc., are being observed. The deficiencies observed in the functioning of the banks during the inspection by NABARD are being brought to the notice of the banks and the Registrar of Cooperative Societies of the State concerned with an advice to take rectification measures. These violations are being monitored/rectified through compliance mechanism. In case of serious violations, RBI has taken action by way of imposing penalty for violation under Section 46 and 47 of Banking Regulation Act, 1949.